

BDAC Finance Work Group

Meeting Summary

December 11, 1997

Status Reports/Updates

The meeting began with a brief report from the Ag/Urban group. They reported that they are going to focus on near-term budgeting issues, concentrating on the next five to ten years. There was a lengthy discussion on the issue of federal funding. The major concern was to maintain credibility in Congress by efficiently spending the FY98 appropriation.

It was pointed out that the major benefits of the early spending are ecosystem oriented. Any water supply benefits will take longer to materialize. It was noted that development of actual water supply projects takes much longer, due to the need for project selection and review, as well as longer construction times.

Crediting Policy

The main focus of the meeting was a discussion of Crediting Policy. Staff had prepared and distributed a list of questions as a discussion guide.

A summary of the major areas of the discussion follows:

- During the interim prior to approval of the EIR/EIS, credits should be limited to Category III.
- A starting date has to be determined for crediting. Using the date of the signing of the Bay-Delta Accord, December 15, 1994, appeared to have some consensus support.
- In determining what to credit, one important question may be whether or not the action could be presumed to have been performed with the CALFED program. The assumption being that actions that would have gone forward in any case would not be credited, although it is difficult to assess which actions would have gone forward without CALFED. This would appear to exclude CVPIA Restoration Funds from crediting, although consolidation of the two programs could mean that CVPIA contributions could be credited. Another approach would be to allow crediting for actions on the CALFED list of actions that must be completed to restore the system, which could include some actions that would have gone forward without CALFED.
- O&M funds, although they may be larger over time, should be credited if they relate to an approved project.
- Clear criteria for crediting should be established, but there should be some type of appeals process to consider specific cases.